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DEPT FOR EUR/AGS, INR/EU, AND EUR/PPD FOR YVETTE SAINT-ANDRE

OSD FOR COMMANDER CHAFFEE

WHITEHOUSE FOR NSC/WEUROPE

E.O. 12958: N/A
TAGS: [KPAO](#) [AU](#) [OPRC](#)

SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: March 13, 2007

Tax Row Continues

¶1. The divisions in the governing coalition over inheritance tax continue. People's Party (OeVP) insists on the complete abolition of taxes on inherited wealth, but Social Democrats (SPOe) say they want a reform of inheritance taxes, after the Constitutional Court last week suspended laws relating to taxes on inherited property. The People's Party has also criticised President Heinz Fischer, who says he is in favour of retaining inheritance taxes, declaring he was straying too far into everyday politics. The coalition partners SPOe and OeVP continue to disagree on the abolition of inheritance taxes, as called for by the Constitutional Court. While OeVP finance spokesperson Guenther Stummvoll emphasized on Austrian television that inheritance taxes would be cancelled gradually, the SPOe's state secretary for finances Christoph Matznetter has suggested the "super rich" should still be obliged to contribute. Despite the disagreement, both parties emphasize the good coalition climate, and that some key issues need to be debated. Mass-circulation tabloid Kronen Zeitung in its lead story suggests the probability that inheritance taxes will be axed altogether shows that the OeVP had "tricked" the SPOe on the issue. In view of the Conservatives' position, there is no majority in Parliament for a potential adaptation of the respective laws, the tabloid explains.

Tough Stance on Immigration

¶2. The SPOe's coalition partner OeVP is adopting a tougher stance on immigration to Austria. The party's Secretary General Hannes Missethon emphasized that tolerance had its limits: "We have to make clear migrants understand what we expect from them," he underscored, explaining that people who want to live in Austria "need to speak our language, have to be willing to work and learn to integrate." According to centrist daily Die Presse online, the OeVP wants to tighten the screws on immigration. Party secretary general Hannes Missethon underscored that it "is the duty of foreigners wanting to live in Austria to ...be able to speak German, as well as be willing to work and to integrate," Missethon urged, speaking at a press conference in Burgenland province's capital Eisenstadt. Thus, forced marriages and female circumcision cannot be options in Austria, he said, stressing that Austrian laws "have to be respected, which in some cases may require abandoning certain traditions." Tolerance has its limits, Missethonsays, and respect is necessary: "Immigrants need to understand what we expect from them. There is too much talk about their rights," the Presse quotes. In May, Missethon wants to start visiting Vienna districts with a high percentage of foreign residents, and "ask how they are doing," according to the daily.

Experts Analyze Terrorist Threat

13. Austrian terrorism experts are examining an internet video that surfaced at the weekend threatening Austria and Germany if they don't withdraw their military personnel from Afghanistan. The video reportedly was released by a group calling itself the "Voice of the Caliphate," said to have links to Al Qaeda. The experts are looking into whether the tape actually originated with that organization or with a group of imposters. The authors of the tape appear to have comprehensive knowledge of Austria's domestic policy, which has led analysts to speculate that the tape may even have originated here. After an internet video surfaced on the weekend threatening Austria and Germany with terrorist attacks unless they withdraw military personnel from Afghanistan, Austrian experts are looking for the message's possible authors. One of the questions emerging in the analysis is whether the threat is genuine or the product of "imposters" who are merely trying to spread fear and uncertainty. In this context, Interior Minister Platter described the "strong domestic policy context" of the message as "interesting." Although he does "not believe Austria is a primary target for terrorists, the tape is being taken very seriously," Platter added. The Minister has also ruled out removing the four Austrian soldiers stationed in Afghanistan, as it would be "wrong to cave in." In an interview with mass-circulation tabloid Oesterreich, Interior Ministry spokesperson Rudolf Gollia said the "message is being taken very seriously. However, we can only take specific measures if we get a specific lead." Terrorist attacks "cannot be ruled out anywhere in the world. Of course, in theory attacks are also possible in Austria," he added.

US Working on Iraq Pullout Strategy

14. Although the Bush administration is planning to deploy a total of 26,000 additional soldiers to Iraq, the US government is simultaneously looking at options for a withdrawal from the country. The Pentagon has confirmed a report recently published by the Los Angeles Times that it is working on an exit strategy, should the new Iraq security offensive fail. It would be "irresponsible" of the administration not to consider withdrawal plans, a White House spokesperson quoted Defense Secretary Robert Gates. On ORF radio's early morning news Morgenjournal, Washington correspondent Raimund Loew comments: "The Bush administration continues to dismiss the growing pressure from Congress to present a definite plan for the withdrawal of US troops from Iraq. Vice-President Dick Cheney argues such a plan would only undermine troop morale; moreover, America's enemies would then just have to sit back and wait for US forces to leave, Cheney - generally considered a hardliner - has stressed. At the same time, however, the Pentagon has confirmed a report by the Los Angeles Times according to which pullout plans are also being considered, should the current deployment of additional US troops to Iraq fail to be effective. It would be 'irresponsible' not to take alternatives into account, a spokesperson underscored. That part of the world was apparently allergic to foreign presence. Reportedly, though, the Pentagon's deliberations of a potential pullout are still in the initial stages."

ElBaradei Going to North Korea

15. The head of the International Atomic Energy Agency Mohamed ElBaradei is traveling to Pyongyang to continue negotiations on suspension of the DPRK nuclear program. During his two-day trip to North Korea, he wants to "outline how the agreements reached in the six-party talks can be implemented." ElBaradei's visit is considered a test of whether Pyongyang is really prepared to fulfill its promise to suspend its nuclear program, Austrian media say. On ORF radio's early morning news Morgenjournal, commentator Karin Koller says: "ElBaradei's trip to North Korea is aimed at determining whether the country is serious about its promise to suspend its nuclear program. Less than a month ago, North Korea agreed to shut down its nuclear reactor at Yongbyon completely in return for generous energy supplies and economic aid. IAEA Director General ElBaradei now has to ascertain to what extent North Korea is really prepared to cooperate. He hopes that after years of estrangement his agency will again cooperate more closely with North

Korea, he said prior to his departure. Specifically, return of UN weapons inspectors to North Korea is on the agenda. But ElBaradei is also urging patience - perhaps the timetable for the shutdown of the Yongbyon reactor cannot be met. The most important issue now is rebuilding trust and getting North Korea back into the IAEA fold, ElBaradei argues."

New Iran Sanctions Imminent?

16. Major powers on the UN Security Council appear close to an agreement on sanctions punishing Iran for failing to give up its uranium enrichment program. Diplomats from the five UN veto powers have been meeting in New York and say new sanctions are likely to include an embargo on arms exports and the extension of an asset freeze to include more individuals and companies. In the international dispute over Iran's nuclear ambitions, Russia has signaled it is running out of patience with Tehran, thus further isolating its former ally, writes ORF online news. According to media reports, Russia is accusing Iran of trying to exploit the traditionally good relations between the two countries in the conflict. For Russia, however, it was not acceptable for Iran to possess nuclear weapons or the capability to build them, a high-ranking Russian government representative told Russian press agencies yesterday.
McCaw